

LAW OFFICES

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**ROSS & HARDIES**  
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

APR 6 '98

10-32AM

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312-750-8600

150 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS 60601-7567  
312-558-1000

WRITER'S DIRECT LINE  
(312) 750-8935

PARK AVENUE TOWER  
65 EAST 55TH STREET  
NEW YORK, NEW YORK 10022-3219  
212-421-5555

580 HOWARD AVENUE  
SOMERSET, NEW JERSEY 08873  
732-563-2700

888 SIXTEENTH STREET, N.W.  
WASHINGTON, D.C. 20006-4103  
202-296-8600

April 3, 1998

**VIA OVERNIGHT COURIER**

Mr. Vernon A. Williams  
Secretary  
Office of the Secretary  
The Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

Attention: Janice Fort, Room 704

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Memorandum of Lease Agreement, dated as of March 5, 1998 (the "Memorandum of Lease"), between JAIX Leasing Company ("Lessor") and Alabama Power Company ("Lessee"), which Memorandum of Lease is a primary document as defined in the Commission's Rules for the Recordation of Documents. The Memorandum of Lease relates to that certain Railcar Equipment Lease, dated as of March 5, 1998 (the "Lease") and Rider 1 to the Lease, dated as of March 5, 1998, between Lessor and Lessee.

The names and addresses of the parties to the enclosed Memorandum of Lease are:

Lessor: JAIX Leasing Company  
980 North Michigan Avenue  
Suite 1000  
Chicago, Illinois 60611

Lessee: Alabama Power Company  
600 North 18th Street  
BIN NO. 14N-8163  
Birmingham, Alabama 35291

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Mr. Vernon A. Williams  
April 3, 1998  
Page 2

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Lease.

Also enclosed is a check in the amount of \$26.00 payable to the order of The Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Joseph A. McQuade at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Primary Document to be Recorded

Memorandum of Lease Agreement, dated as of March 5, 1998 between JAIX Leasing Company, as Lessor, and Alabama Power Company, as Lessee, covering 50 used aluminum automatic discharge coal railcars.

Very truly yours,



Joseph A. McQuade

JAM:mts  
Enclosures

cc: Robert W. Kleinman  
Susan G. Lichtenfeld

APR 6 '98

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## MEMORANDUM OF RAILCAR EQUIPMENT LEASE

THIS MEMORANDUM OF RAILCAR EQUIPMENT LEASE dated as of this 5 day of March, 1998, is made by Alabama Power Corporation, an Alabama corporation, with an address at 600 N. 18th Street, Mail Bin 14N-8163, Birmingham, AL 35291 (the "Lessee"), and JAIX Leasing Company, a Delaware corporation, with an address at 980 North Michigan Avenue, Suite 1000, Chicago, Illinois 60611 (the "Lessor" and, together with the Lessee, the "Parties").

## KNOW ALL PERSONS BY THESE PRESENTS THAT:

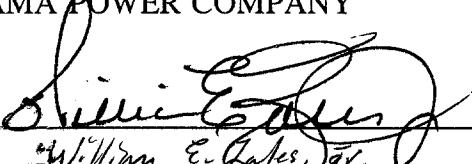
WHEREAS, the Lessor and the Lessee entered into that certain Railcar Equipment Lease (the "Lease") dated as of the date hereof covering the equipment listed on Schedule 1 hereto (the "Equipment");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

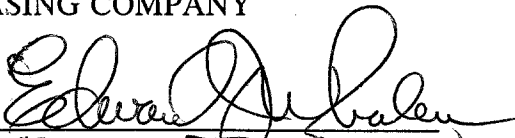
NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

## ALABAMA POWER COMPANY

By:   
Name: William E. Gates, Jr.  
Title: Asst. Sec. / Asst. Treasurer

## JAIX LEASING COMPANY

By:   
Name: EDWARD J. WALSH  
Title: PRESIDENT

STATE OF )  
 ) SS:  
COUNTY OF )

On this 2nd day of April, 1998 before me personally appears William E. Zales, Jr., to me personally known, who by me duly sworn, says that he/she is the Asst. Sec. / Asst. Treasurer of ALABAMA POWER COMPANY (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Cecilia H. Shorts  
Notary Public

[SEAL]

My Commission expires:

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

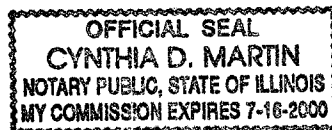
On this 3rd day of April, 1998 before me personally appears Edward G. Whalen to me personally known, who by me duly sworn, says that he/she is the President of JAIX LEASING COMPANY (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Cynthia D. Martin  
Notary Public

[SEAL]

My Commission expires:



**SCHEDULE 1**  
**TO THE MEMORANDUM OF RAILCAR EQUIPMENT LEASE**  
**DATED MARCH 5, 1998**

**EQUIPMENT**

50 Used Aluminum Automatic Discharge Coal Cars marked SCSX 97501 through SCSX 97550 (both inclusive).